

Cooperative Research and Development Agreement (CRADA)

A Cooperative Research and Development Agreement (CRADA) is a written agreement between a non-federal partner and Battelle Energy Alliance (BEA), the Management and Operating Contractor at the Idaho National Laboratory (INL), to work together on a project. Created as a result of the Stevenson-Wydler Technology Innovation Act of 1980, a CRADA allows the Federal Government and non-federal partners to optimize their resources, share technical expertise in a protected environment, share intellectual property emerging from the effort, and advance the commercialization of federally developed technology.

A CRADA contains provisions, which are driven primarily by statutes and policy. These provisions are also designed to be responsive to the needs of different CRADA participants while protecting the interests of the public.

The Department of Energy (DOE) provides a standard document to begin negotiations, and the parties may negotiate some of the provisions to respond to the needs of the participant. All CRADAs are subject to the approval of the DOE.

The following provides information about CRADA provisions:

Statement of Work

A CRADA must include a description of the work to be

performed, which is called a "Statement of Work." The Statement of Work must include a technical description of the tasks, the responsible parties for each task, and list the deliverables (reports, prototypes, etc.). The Statement of Work is negotiated by the parties.

Funding and Costs

A CRADA must also define the funding arrangement between the parties. Funding may be arranged in various ways. The participant may fund up to 100% of the work or the funding may be split between the BEA and the participant. The participant or BEA may provide funding through cash contributions or in-kind contributions (man hours, equipment, testing, etc.). However, a CRADA cannot be used as a mechanism to transfer Government cash for a participant's services or Government property to the participant. Such arrangements are handled through subcontracting and procurement arrangements. In addition, all contributions by the Government are subject to available funding.

Term and Termination

The term of a CRADA may be negotiated by the parties. Generally, the term of a CRADA is the date upon which the work is expected to be completed. A CRADA may be modified if additional work or an extension of time is desired.

The CRADA may also be terminated by advanced written notice by either party.

Confidentiality

Proprietary information, such as trade secrets, may be protected. The parties may negotiate the provision and obligations for nondisclosure of proprietary information within certain limitations. In addition, information generated as a result of the work performed under a CRADA may be protected from disclosure for a limited number of years. The name of the participant cannot be considered proprietary.

Liability

A CRADA generally must include a disclaimer of express and implied warranties as to the conduct of the research. A CRADA must also indemnify the Government and BEA from all costs related to personal injury and property damage that may result from the participant's commercialization and use of a product, process, or service that results from the research.

Rights to Intellectual Property

As a general rule, any inventions made solely by a participant will be owned by the participant; any inventions made solely by the federal laboratory employees will be owned solely by BEA; and any jointly made inventions will be jointly owned by the collaborating party and the BEA.

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For more information:

Ray Barnes
208.526.1127
Ray.Barnes@inl.gov
www.inl.gov/techtransfer

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CRADA participants are always given an option to negotiate up to an exclusive field-of-use license to inventions made under the CRADA, for reasonable compensation. Specific terms of a license may be prenegotiated.

Although rarely exercised, the DOE also retains "March-in Rights" to grant licenses to intellectual property in exceptional circumstances (health, safety, failure to comply with certain statutory provisions, etc.). The Government also retains a non-exclusive license to all inventions that result from the CRADA, for governmental purposes only. That is, the Government retains a license to practice any inventions or to have any invention supplied to it by the a third party or the participant at a royalty-free rate.

Similar rules apply to the allocations of rights to Copyrights. Either party may assert Copyright in any of their generated information or allocation of rights to Copyrights may be negotiated.

Characteristics of a CRADA

- In the collaborative effort, the government may contribute a wide variety of resources but no funds.
- The government may contribute personnel, services, facilities, equipment, intellectual property, and any other resources that would fall under the umbrella of "personnel, services and property."
- The CRADA is not a procurement contract or grant and should not be

viewed as an alternative to normal procurement procedures.

- With regard to licensing, all CRADA cases the government retains a nonexclusive, nontransferable, irrevocable, paid-up license to inventions developed under the CRADA.

CRADA Benefits

Through a CRADA, industry partners can access INL capabilities. INL's CRADA partners are also given the opportunity to obtain rights to commercialize the results of government research and development. Partners are also allowed to protect certain CRADA information up to five years.

CRADA Activities During FY-05

A CRADA may be as short as a period of a few months or may extend several years depending on the objectives of the collaboration. The number of transactions and the corresponding resource commitments vary considerably from year to year based on the technologies available at INL, the readiness of participants to invest in collaborations, and INL's ability to identify the right partners and negotiate satisfactory business relationships. In 2005, INL consummated nine new CRADA relationships with various parties.

Two CRADA relationships were established to further research and development of the lab's SCADA Test Bed.

AREVA T&D Corporation and General Electric, Inc. will



develop new concepts for reducing SCADA vulnerabilities. As research partners, AREVA and General Electric will help in the identification of industry susceptibilities while at the same time develop protection and mitigation strategies.

How Do I Get a CRADA Started?

Companies can initiate CRADA discussions by contacting INL's Technology Transfer and Commercialization office.